Newfoundland
Labrador

Strategic Plan
2006 - 2008

Department of Fisheries and Aquaculture
Government of Newfoundland and Labrador

Minister's Message

In accordance with government's commitment to transparency and accountability, I am pleased to submit to the House of Assembly and the people of Newfoundland and Labrador the 2006-2008 Strategic Plan for the Department of Fisheries and Aquaculture. In developing this Plan, the Strategic Directions of government and the department for the province's fishing and aquaculture sectors were carefully considered. For more information on these Strategic Directions, please refer to Appendix A.

Resource uncertainty, marketing challenges, and fierce competition from countries like China, have changed our fishery considerably from a decade ago. It is not the same fishery it was just a few short years ago. Indeed, our fishery today operates in a constantly changing and volatile environment and is facing yet another major transformation, due to the competitive and market forces it now faces.

Despite the ongoing challenges facing our province's fishery, my department continues to support the development of the industry and explore new opportunities.

As a province, we have only begun to tap the potential of the aquaculture sector. Newfoundland and Labrador has the capacity to be the largest producer of aquaculture products in Canada, as we have many of the only remaining sites available for aquaculture development in eastern Canada. Less than ten percent of our province's aquaculture space is currently being utilized. Aquaculture is certainly the best kept secret in Newfoundland and Labrador and further development of this sector is a key priority for my department.

The department is also making the marketing of our seafood products a priority as we move forward. As a province, we must increase the awareness of the variety and quality of Newfoundland and Labrador seafood products. We must do this in a targeted strategic manner, if our industry is to remain competitive and grow in an increasingly competitive global marketplace. This is fundamental to exposing our resources to new national and international markets and growing existing markets.

The fishing industry is the backbone of our province. As such, it is a top priority for government, as is the sustainability of rural Newfoundland and Labrador. The department continues to promote and support professional and sustainable fisheries and aquaculture industries. We will work diligently to achieve the specific goals and objectives identified in our strategic plan.

Tom Rideout

Honourable Thomas G. Rideout, M.H.A.
Lewisporte District
Minister of Fisheries and Aquaculture

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Appendix A
- Strategic Directions for Department of Fisheries and Aquaculture

Our Vision

The vision of the Department of Fisheries and Aquaculture is sustainable fishing and aquaculture industries that are achieving their optimum economic contribution to the Province of Newfoundland and Labrador.

Plan at a Glance

Vision

The vision of the Department of Fisheries and Aquaculture is sustainable fishing and aquaculture industries that are achieving their optimum economic contribution to the Province of Newfoundland and Labrador.

Mission

By 2011, the Department of Fisheries and Aquaculture will have supported the strengthening of the processing sector and the expansion of the aquaculture industry to create economic opportunities for the province.

Goal 1:

BY 2008, THE DEPARTMENT OF FISHERIES AND AQUACULTURE (DFA) WILL HAVE WORKED WITH OTHER PROVINCIAL AND FEDERAL DEPARTMENTS, THE FISHING INDUSTRY AND OTHER INDUSTRY STAKEHOLDERS TO IDENTIFY PUBLIC POLICY MEASURES TO MAKE THE INDUSTRY MORE VIABLE AND INTERNATIONALLY COMPETITIVE.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have identified public policy measures to aid in the renewal of the province's fishing industry.
2. By 2008, the Department of Fisheries and Aquaculture will have developed and implemented public policy measures to strengthen the province's fishing industry, with emphasis on the fish processing sector which falls under the province's jurisdictional responsibility.

Goal 2:

BY 2008, THE DEPARTMENT OF FISHERIES AND AQUACULTURE WILL HAVE DEVELOPED AN EXPANDED AQUACULTURE INVESTMENT STRATEGY AND SUPPORTED ITS IMPLEMENTATION.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have developed an investment strategy.
2. By 2008, the Department of Fisheries and Aquaculture will have implemented the investment strategy.

Goal 3:

By 2008, the Department will have initiated the strategic development, start-up and operation of a commercial scale Atlantic cod demonstration farm.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have developed a strategy to establish a commercial scale demonstration initiative to prove the economic viability of cod aquaculture.
2. By 2008, the Department of Fisheries and Aquaculture will have initiated the start up and operation of the cod aquaculture demonstration farm.

Goal 4:

By 2008, the Department of Fisheries and Aquaculture will have supported the reduction of trade barriers to optimize the value of the province's seafood sector.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have human resources dedicated to address seafood trade issues and increased trade intelligence activities and information within the department.
2. By 2008, the Department of Fisheries and Aquaculture will have developed and implemented a strategy to address trade issues and presented its trade positions to the federal government.

Goal 5:

By 2008, the Department of Fisheries and Aquaculture will have increased public awareness about the province's fishing and aquaculture industries.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have developed materials and strategies to increase public awareness.
2. By 2008, the Department of Fisheries and Aquaculture will have increased public awareness of the province's fishing and aquaculture industries.

Goal 6:

By 2008, the Department of Fisheries and Aquaculture will have

IMPLEMENTED MARKET EXPLORATION AND MARKETING INITIATIVES DESIGNED TO INCREASE THE VIABILITY OF THE SEAFOOD INDUSTRY.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have solicited industry input on government's seafood marketing strategy.
2. By 2008, the Department of Fisheries and Aquaculture will have developed and implemented government's new seafood marketing strategy.

Goal 7:

BY 2008, THE DEPARTMENT OF FISHERIES AND AQUACULTURE WILL HAVE IMPLEMENTED INITIATIVES TO FURTHER ENHANCE THE QUALITY OF NEWFOUNDLAND AND LABRADOR SEAFOOD PRODUCTS.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have expanded initiatives to further enhance the quality of Newfoundland and Labrador seafood products.
2. By 2008, the Department of Fisheries and Aquaculture will have implemented new initiatives to further enhance the quality of Newfoundland and Labrador seafood products.

Goal 8:

BY 2008, THE DEPARTMENT OF FISHERIES AND AQUACULTURE WILL HAVE INCREASED THE VOICE OF THE GOVERNMENT OF NEWFOUNDLAND AND LABRADOR ON MARINE FISHERIES AND OCEAN MANAGEMENT.

Objectives

1. By 2007, the Department of Fisheries and Aquaculture will have promoted positions on regional, national, and international fisheries management decisions which are in the best interest of the province.
2. By 2008, the Department of Fisheries and Aquaculture will have engaged the Government of Canada on the negotiation of a Canada-Newfoundland and Labrador Oceans Management Agreement.

Introduction

In accordance with the *Transparency and Accountability Act*, the strategic plan of the Department of Fisheries and Aquaculture (DFA) identifies the key priority areas that will be addressed for the next two years. The plan addresses three strategic directions for the department: improved viability of the fishing industry; a developed aquaculture industry; and secured fishery and marine resource interests.

The Department of Fisheries and Aquaculture is classified as a Category I Government Entity for the purposes of this Strategic Planning process. As such, the department will report its information related to this planning process at an "outcomes" or "results" level. Government departments that are major service delivery providers and in direct contact with the general public are generally considered to be Category I Entities.

The fishing and aquaculture industries are vital to the economy of Newfoundland and Labrador. The seafood industry has contributed $1 billion to the economy for the past several years; however, its production value fell to $913.5 million in 2005, due to various factors such as the strength of the Canadian dollar, the tariff issues in the market place, and competition from China. The processing and harvesting industries provided 15,700 person years of employment in 2005, with an estimated 26,000 individuals employed. The aquaculture industry provided 136 person years of employment and employed 360 individuals during the same period.

The department's future policies, programs, services and priorities will be largely driven by a number of issues, realities and opportunities facing the province's fisheries and aquaculture industries. Some of the issues and challenges we face include: the province's ability to influence fisheries management of adjacent fish resources, international fisheries management of straddling fish stocks on the nose and tail of the Newfoundland Grand Banks, tariff barriers, international competition, overcapacity in the processing and harvesting sectors, recovery of groundfish stocks, an aging workforce, and investment and sustainable management of aquaculture resources. There are several opportunities such as: product and market development; advances in quality assurance; species diversification; development and expansion of the aquaculture industry; and integrated oceans and coastal management.

The Department of Fisheries and Aquaculture is well prepared to face these issues and challenges and to realize the opportunities for the betterment of Newfoundland and Labrador. The strategic directions identified, together with our existing programs and services, enable this department to support success in our fishing and aquaculture industries.

It is important to emphasize that DFA and the Government of Newfoundland and Labrador have little influence over two of the most significant drivers in the fishing industry, markets and resources.

Departmental Overview

The Department of Fisheries and Aquaculture is responsible for overseeing the licensing and regulation of fish processing and marketing, and aquaculture operations in the province. It also provides development and diversification programs and services to the fishing and aquaculture industries.

In addition to the Strategic Directions and their components, the department continues to support the fishing and aquaculture industries through various programs and services. These services assist the industry in the face of continued resource challenges and changes in the international marketplace.

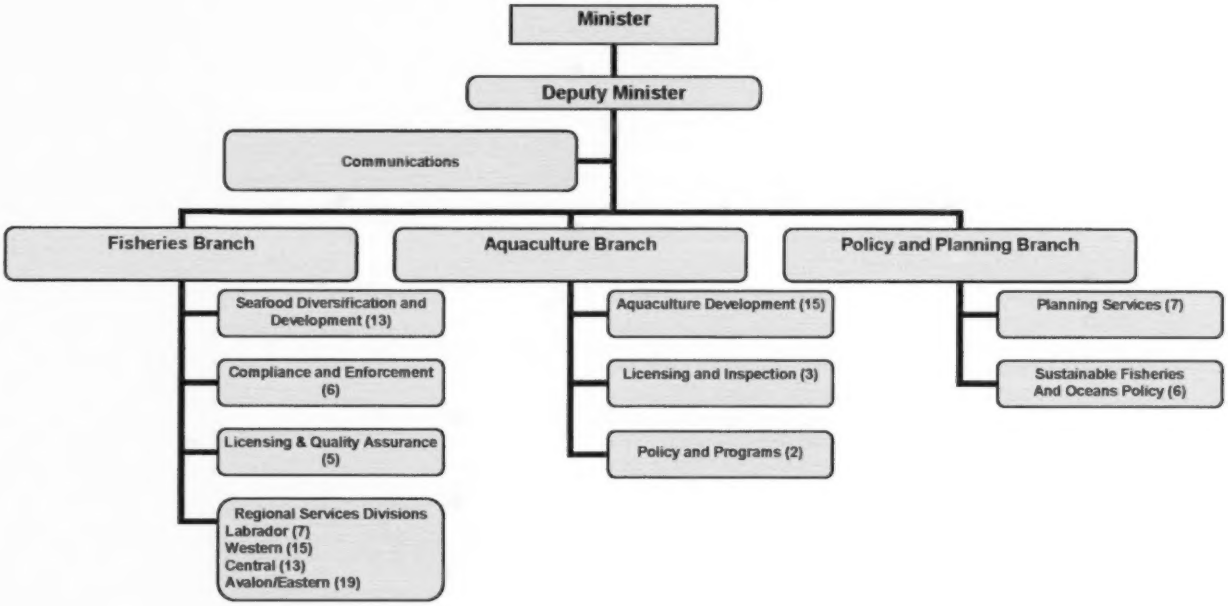
As a resource-based department, the Department of Fisheries and Aquaculture works closely with other departments, agencies, and key industry stakeholders in fulfilling its mandate. It has been at the forefront of fisheries and aquaculture development since the early 1970s, working with industry partners, the Marine Institute, the Canadian Centre for Fisheries Innovation, the Ocean Sciences Centre, the Department of Fisheries and Oceans, and the Centre for Sustainable Aquatic Resources. Areas of development activities include: resource surveys, fishing gear development, vessel design, fish health services for aquaculture, and aquaculture site identification and development. The department continues to provide market intelligence to the industry, inspection and regulatory services, infrastructure support, policy development, and planning services.

The Department of Fisheries and Aquaculture currently has 129 employees (60 percent male, 40 percent female), including seasonal staff and temporary staff. There are 57 employees located in the St. John's office. The department is organized into three branches: Fisheries, Aquaculture, and Policy and Planning. The province has been divided into four regions, for fisheries activities, based on the government's Economic Zones (EZ): Labrador (EZ 1-5); Western (EZ 6-10); Central (EZ 11-14); and Avalon/Eastern (EZ 15-20). For aquaculture activities, the province has been divided into three regions: Western (EZ 1-10); Central (EZ 11-13); and Eastern (EZ 14-20), with the head office in Grand Falls-Windsor. For the 2006-07 fiscal year, gross expenditures for the department will be $15.6 million.

The department is guided and governed by the following legislation:

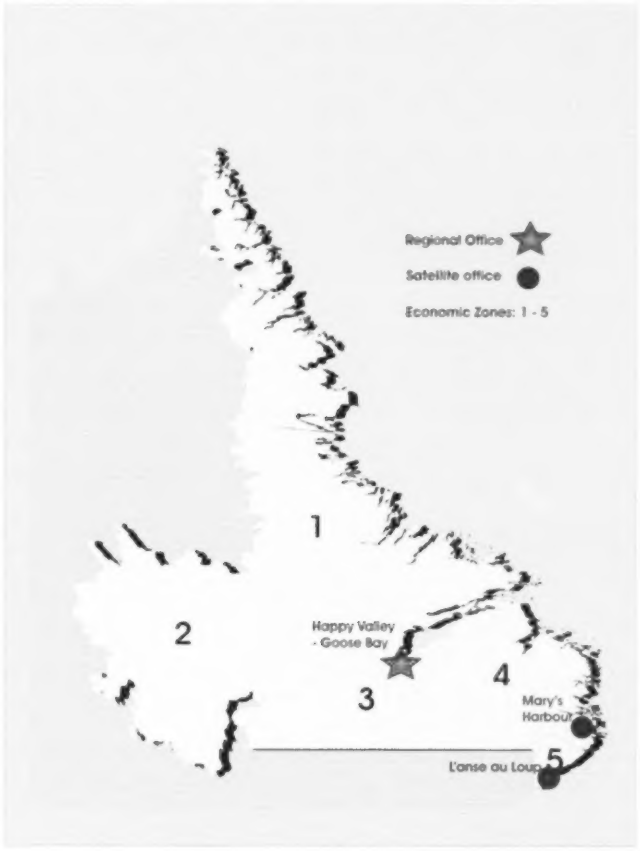
- *Fish Inspection Act;*
- *Fisheries Act;*
- *Fisheries Restructuring Act;*
- *Aquaculture Act;*
- *Professional Fish Harvesters Act;*
- *Fishery Products International Limited Act;*
- *Fish Processing Licensing Board Act.*

Department of Fisheries and Aquaculture



Note: The numbers in brackets are the number of staff within each division and include seasonal and temporary staff, but do not include vacant positions.

Department of Fisheries and Aquaculture Regional and Satellite Offices and Government of Newfoundland and Labrador Economic Zones



Source: Department of Fisheries and Aquaculture
Maps are not equivalent scales

Note: The department's headquarters is located in St. John's and aquaculture headquarters is located in Grand Falls-Windsor.

Context

The department's future policies, programs, services and priorities will be largely driven by a number of issues, realities and opportunities within the province's fishing and aquaculture industries. The following is an overview of these key "environmental" drivers. They have been identified through interaction and communication with fishing and aquaculture industry participants, other governments, other provincial departments, and the department's staff.

Fisheries

Fisheries Management

- The fishing industry is, and will continue to be, critical to Newfoundland and Labrador. Therefore, it is important that the province have a greater voice in decisions related to the management of its adjacent fish resources.

- There is a need to increase the level of scientific knowledge of fish stocks and the ocean ecosystem for effective fisheries management. Despite this, the federal Department of Fisheries and Oceans is reducing its budget for fisheries science; as a result, new science partnerships are required.

- International fisheries management through the Northwest Atlantic Fisheries Organization (NAFO) has been ineffective at managing straddling fish stocks on the nose and tail of the Newfoundland Grand Banks. This serious problem must be addressed by the Government of Canada.

- There continue to be efforts to erode the province's share of adjacent fish resources in favour of non-Newfoundland and Labrador interests; northern shrimp is the most recent example. The province's *adjacency* to the resource must be the primary criterion for resource access and allocation decisions.

- Fisheries science and management is moving away from single-species management and towards ecosystems and multi-species management. Fisheries management in Newfoundland and Labrador should continue to follow this approach.

- New and innovative approaches to fisheries management are being implemented to achieve more environmentally sustainable fisheries. This has included efforts towards co-management of the Newfoundland and Labrador fishery with industry participants.

- The harp seal population is at a historical high level and this is having a negative impact on the recovery of cod stocks. The seal resource management process should consider this in the preparation of seal management plans.

Industry Viability and Competitiveness

- The industry is challenged by market issues (e.g., increasing competition from China), unfavourable exchange rates, and tariff barriers. Industry and governments must work collaboratively to overcome these challenges where possible.

- Public and private-sector funding for fisheries development and diversification continues to be limited. This can be addressed through new and expanded partnerships between government, industry, and research organizations.

- The low level of several commercial fish stocks requires the industry to optimize the use of all available fish resources through product and market development.

- Overcapacity and over-capitalization exists in the processing and harvesting sectors. This must be addressed through collective government-industry action.

- There continues to be structural problems in the shrimp sector which are hindering the industry's competitiveness and profitability; these include timing of the harvest, and handling and storage operations.

- In the face of increasing global competition, the Newfoundland and Labrador seafood industry must be economically efficient to be competitive.

- There is increased consolidation in the seafood processing sector nationally and internationally. Opportunities for such consolidation in the province's fishing industry must be assessed.

Resource Availability

- Recovery of historically important groundfish stocks, especially northern cod, continues to be slow. Fish stock recovery and conservation must be key objectives for the province's fishery.

- The province's crab resources are declining. This resource has been the main economic base for the industry since the collapse of groundfish stocks. Responding to this change will be a major challenge for industry and government.

- Pelagic species such as herring and mackerel are becoming increasingly important to the fishery. The industry should work to optimize these opportunities.

- Underutilized species (e.g., sea cucumber, whelk, rock and toad crab) will be of increasing importance to the industry. The industry, in collaboration with public partners, needs to develop these opportunities to their full potential.

Industry Operations

- A timely start to the fishery is crucial to its success. To help achieve this objective, an effective approach to collective bargaining to determine fish prices needs to be implemented.

- Following the recommendation of the Cashin Report, the Raw Material Shares Pilot Project has been discontinued. Other approaches to bring stability, predictability, and transparency to the industry are required.

- The aging workforce in the processing and harvesting sectors will create labour challenges in the future.

- Industry and government are challenged to address gender issues and opportunities within the fishing industry as they relate to employment, education, and training activities.

- Quality assurance and food safety are critical issues within the global seafood industry. The province's fishing industry should build on the progress made over the past ten years.

- Responding to the challenges, issues and opportunities in the fishery will require a new partnership for success.

Aquaculture

- Aquaculture offers a realistic and achievable opportunity for economic development and diversification. Atlantic salmon, steelhead and blue mussels provide immediate opportunities for commercial development.

- The province has the last remaining areas for aquaculture development in eastern Canada, and as such, has become a focus of new development opportunities for Canadian and foreign investors.

- Investment from within the province has been low and sporadic. The challenge is to inform potential Newfoundland and Labrador investors of the opportunities and returns to be had by investing in our own aquaculture industry.

- An important component of the aquaculture industry is the supply of goods and services. As the Newfoundland and Labrador aquaculture industry grows, this component also offers development opportunities for the province.

- The aquaculture industry is challenged to find financial support/investment for growth from traditional lending institutions.

- The Newfoundland and Labrador aquaculture industry continues to require extension services such as veterinary and technical support services to develop.

- The perception of the environmental sustainability of aquaculture is challenging the industry's growth and development.

- The aquaculture industry is challenged by the lack of in-province hatchery capacity.

- A Federal/Provincial/Territorial Aquaculture Policy Framework is being developed which will address business risk management issues.

- Food safety and traceability are also important in the aquaculture sector.

Oceans Management

- There is an international trend towards a multi-sector and integrated approach to oceans use and management and away from single-sector management. Nationally, the Department of Fisheries and Oceans is increasing its focus on integrated oceans and coastal management and moving away from its emphasis on fisheries management.

- The public and private sectors in Newfoundland and Labrador are participating in coastal and oceans management activities including the Marine Protected Areas Program, coastal planning activities, and the Large Oceans Management Area initiative.

- Emerging ocean users (e.g., aquaculture, oil and gas development, marine tourism and recreation) are seeking a greater voice as legitimate users of the ocean. Mechanisms are required to accommodate these interests, while recognizing the value of traditional ocean activities such as commercial fishing and transportation.

- The sustainability of the ocean ecosystem, and the economic activities that depend on it, are threatened by environmental pollution, climate change, overfishing, and invasive species.

- New and innovative technology to manage the ocean offers ways to improve the management, conservation, and sustainable development of ocean resources (e.g., Placentia Bay Smart Bay Project).

Mandate

The mandate of the Department of Fisheries and Aquaculture is derived from the *Executive Council Act* and includes *the supervision, control and direction of all matters relating to:*

a) the promotion, development, encouragement, protection, conservation and regulation of fisheries and aquaculture; and

b) the administration of the Acts set out in the Schedule and of all orders and regulations passed or made under those Acts, including those powers, functions or duties necessary or desirable for carrying out the purpose of those Acts,

which are not, or insofar as they are not, the responsibility of another minister, agency, body, corporation, board, organization or person.

Provincial and Federal Responsibilities

There is often confusion surrounding the responsibilities of the provincial Department of Fisheries and Aquaculture and the federal Department of Fisheries and Oceans. The following table outlines the primary responsibilities of each department and the common responsibilities between the two levels of government as it relates to fisheries and aquaculture.

Department of Fisheries and Aquaculture (DFA)	Department of Fisheries and Oceans (DFO)	Common Responsibilities between governments
Fisheries diversification	Oceans science and management including fisheries management and science	Research and development
Licensing, administration of fish plants	Licensing and administration of fish harvesters	Professionalization of fish harvesters
Establishing and enforcing standards for fish quality	Harvesting statistics	Seafood marketing (Agriculture Canada)
Processing and aquaculture statistics	Habitat protection	Environmental protection
Aquaculture licensing and registry	Aquaculture statistics for Canada	Statistics and information services
Aquaculture inspections and enforcement	International relations	Infrastructure support
Aquaculture development and extension services	Certification of plants exporting fish	Aquaculture science, site inspections and fish health

Note: The department also conducts its activities with other federal departments and agencies, including the Canadian Food Inspection Agency (CFIA), Agriculture Canada, Atlantic Canada Opportunities Agency (ACOA), and Service Canada on matters such as: fish inspection, seafood marketing and workforce issues.

Lines of Business

Lines of Business are the consolidation of those programs, services and products an organization provides to its primary clients. In delivering its mandate, the Department of Fisheries and Aquaculture has identified the following lines of business:

1. **Licensing** – The department licenses all fish processing operations, fish buyers and aquaculture facilities operating within the province subject to specified criteria.

   The Department of Fisheries and Aquaculture provides licensing policies and procedures to the Fish Processing Licensing Board which then reviews all requests for new fish processing licences, transfers of licences and change of ownership. The board makes recommendations to the Minister and the Minister makes the final decision on all licensing matters. The department's Licensing and Quality Assurance Division acts as the secretariat for the board.

   The department acts as the one-stop licensing agency for aquaculture. In this role, it co-ordinates input from all provincial and federal agencies. The process also facilitates input from any organization, group or individual who may have an interest in proposed aquaculture developments.

   There are a number of processing and aquaculture statistics that are collected through the licensing process. The main statistics include fish processing plant production, fish purchases, plant employment, production on aquaculture farms, aquaculture employment, fishery and aquaculture infrastructure, financial information, and inspection information. The statistical information and analysis is used within the government to help in formulating policy. The information is also used by industry during fish price negotiations and to aid in marketing decisions. All individual company information is kept confidential.

2. **Development and Diversification** – The department provides technical and financial support in the development of harvesting, culturing, processing and marketing in the fisheries and aquaculture industries. This includes activities such as:

   - Sustainable harvesting;
   - Processing sector diversification;
   - Aquaculture investment prospecting;
   - Technology transfer;
   - Market intelligence;
   - Quality assurance;
   - Infrastructure support.

3. **Inspection, Compliance and Regulatory Enforcement** – The department conducts comprehensive inspection, compliance and regulatory programs for the fishing industry and aquaculture sector within its legislative authorities. Buying, processing and marketing of seafood are regulated through the *Fish Inspection Act* and associated regulations, and the *Fish Processing Licensing Board Act*. The conduct of aquaculture requires the inspection of aquaculture facilities and is regulated under the *Aquaculture Act* and its regulations. Activities include:

   - Inspection of fish buying stations, processing plants, and at dockside;
   - Auditing of statistics (e.g., plant employment and production statistics);
   - Ensuring compliance with licensing policies;
   - Inspection of aquaculture sites and facilities;
   - Examination of aquaculture facilities for the presence of disease and escapes from cages.

4. **Policy Development and Planning** – The department develops, implements, and provides advice on fisheries and aquaculture policies for the support of resource/industry management, growth, and development. Other activities include:

   - Strategic planning;
   - Financial and economic analysis;
   - Preparation and administration of development agreements;
   - Analysis and distribution of statistics;
   - Analysis of scientific information;
   - Analysis and development of policy positions on fisheries and aquaculture resource issues;
   - Leading the province's participation on oceans governance and planning issues.

Values and Guiding Principles

The character of the Department of Fisheries and Aquaculture is promoted and explained through its core values and guiding principles. In essence, they identify how the department will work with its clients, and how the department's staff will work with each other.

While all the values and principles promoted by the department are important, the following are most applicable to the strategic directions identified in the department's 2006-2008 Strategic Plan. Examples of behaviors and actions the department will expect its staff to demonstrate as it delivers its mandate and responsibilities are also included.

Collaboration and Teamwork

The department's programs and services are best delivered through consultation, partnership and teamwork with its clients, industry stakeholders, and co-workers.

Staff of the department will be expected to seek the input of industry stakeholders and other government departments, and their co-workers as they develop and implement policies, programs and activities related to the department's strategic directions.

Accountability and Responsibility

The department delivers its mandate and responsibilities in a conscientious manner and staff are accountable and responsible for the decisions they make.

Staff will be expected to participate in government's work planning initiatives and be accountable for the responsibilities identified in their position descriptions.

Communication

The department promotes and shares information on its activities, and operates under the spirit and intent of openness and transparency both within the organization and with its clients.

Staff will be expected to share information, respecting confidentiality requirements, with co-workers and industry stakeholders on a timely basis. The department will improve the department's website and intranet site to make them more comprehensive and timely.

Service to the Public

The Department of Fisheries and Aquaculture and its employees value the delivery of high quality and cost-effective programs and services for the people of Newfoundland and Labrador.

Staff will be expected to demonstrate their respect for the public they serve through the following actions: timely and courteous responses to public enquiries; efficient and cost-effective delivery of programs and services; and identification of cost-saving measures wherever possible.

Other values and principles of importance to the Department of Fisheries and Aquaculture are:

Respect

The Department of Fisheries and Aquaculture personnel treat clients and co-workers in a courteous and considerate manner. They listen to and consider differing views and opinions and operate within the principles of a respectful workplace. Respect is demonstrated through the efficient and timely response to requests and questions.

Confidentiality

The Department of Fisheries and Aquaculture ensures that information provided to the department on a confidential basis is respected and protected from disclosure.

Employee Professional Development

The Department of Fisheries and Aquaculture values its employees. It encourages and supports each employee to improve their job skills. Employees identify opportunities to enhance their professional development.

Recognition

The department recognizes, appreciates and celebrates individual and team accomplishments which contribute to the department's goals and objectives.

Sustainable Development

The department believes in the sustainable development of the province's renewable fisheries and aquaculture resources. Decisions on policies, programs and services balance the needs of those who currently depend on these resources with the needs of future generations for a healthy and productive environment.

Primary Clients

The primary clients of any organization are those whose needs have a major influence on an organization's business. In delivering its mandate, the Department of Fisheries and Aquaculture has identified the following primary clients:

- Fish processors and buyers;
- Aquaculturists;
- Plant workers;
- Fish harvesters;
- Provincial and Federal government departments;
- Community groups (e.g. municipalities);
- Fishing and Aquaculture industry Non-Government Organizations (NGOs);
- Environmental Non-Government Organizations (ENGOs);
- Consumers;
- People of Newfoundland and Labrador.

The department partners with various groups and agencies in delivering its mandate. Some key fisheries and aquaculture partners include:

- Department of Fisheries and Oceans (DFO);
- Memorial University of Newfoundland (MUN) (including the Marine Institute (MI) and the Oceans Science Center (OSC));
- Atlantic Canada Opportunities Agency (ACOA);
- Canadian Centre for Fisheries Innovation (CCFI);
- Fish, Food and Allied Workers Union (FFAW);
- Newfoundland Aquaculture Industries Association (NAIA);
- Association of Seafood Producers (ASP);
- Seafood Processors of Newfoundland and Labrador Inc.;
- Canadian Aquaculture Industry Alliance (CAIA);
- Fisheries Council of Canada (FCC);
- Canadian Council of Professional Fish Harvesters;
- Newfoundland and Labrador Professional Fish Harvesters Certification Board.

Vision

The vision of the Department of Fisheries and Aquaculture is sustainable fishing and aquaculture industries that are achieving their optimum economic contribution to the Province of Newfoundland and Labrador.

Mission

The mission statement identifies the priority focus area of the Minister over the next two years. It represents the key longer-term result that the Minister and the department will be working toward as they move forward on the strategic directions of Government. As well, this statement identifies the measures and indicators to assist both the department and the public in monitoring and evaluating success.

Given the realities of the fishing and aquaculture industries as reflected in the Context section of this document, the department's mission focuses on strengthening the processing sector and expansion of the aquaculture sector. These areas are generally within the control of the department. The Mission is not a descriptor of the programs and services of the Department of Fisheries and Aquaculture and it does not reflect all activities of the department.

By 2011, the Department of Fisheries and Aquaculture will have supported the strengthening of the processing sector and the expansion of the aquaculture industry to create economic opportunities for the province.

Measure 1: Supported the strengthening of the processing sector to create economic opportunities for the province.

Indicators:

- Improved value of resource relative to market potential;
- Implemented a formal training process for inspection staff;
- Established a Quality Assurance Working Group;
- Identified opportunities to secure the province's share of fish resources;
- Developed and implemented strategy to reduce seafood trade barriers;
- Enhanced fisheries development and seafood diversification initiatives;
- Increased quality awareness for stakeholders.

Measure 2: Supported the expansion of the aquaculture industry to create economic opportunities for the province.

Indicators:

- Established access to a capital program for the aquaculture industry;
- Implemented Federal/Provincial Aquaculture Framework Agreement;
- Expanded initiatives to increase private-sector investment in the aquaculture industry;
- Increased economic value as measured by market value and employment levels;
- Increased volume of production.

Strategic Issues

As the Department of Fisheries and Aquaculture delivers its mandate and focuses on its strategic issues and goals over the next two years, it is important to note there are several external forces in the seafood industry over which the department has no control. These include the availability and management of fish resources, markets, and currency exchange rates. While it is reasonable to hold the department accountable for areas that are within its jurisdiction and sphere of control, the department cannot identify specific targets for outcomes in the industry that it cannot control.

The department has identified eight strategic issues and goals which will be met over the next two fiscal years, 2006/2007 and 2007/2008. The department will apply gender-based analysis in the identification of its Strategic Issues and as its goals are realized over the next two fiscal years.

	Strategic Issues	Goals
1	Fishing Industry Transformation	The Department of Fisheries and Aquaculture will have worked with other provincial and federal departments, the fishing industry, and other industry stakeholders to identify public policy measures to make the industry more viable and internationally competitive.
2	Aquaculture Investment	The Department of Fisheries and Aquaculture will have developed an expanded aquaculture investment strategy and supported its implementation.
3	Commercialization of Cod Aquaculture	The Department of Fisheries and Aquaculture will have initiated the strategic development, start-up and operation of a commercial scale Atlantic cod demonstration farm.
4	Trade and Tariff Barriers	The Department of Fisheries and Aquaculture will have supported the reduction of trade barriers to optimize the value of the province's seafood sector.
5	Communications	The Department of Fisheries and Aquaculture will have increased public awareness about the province's fishing and aquaculture industries.
6	Seafood Market Development	The Department of Fisheries and Aquaculture will have implemented market exploration and marketing initiatives designed to increase the viability of the seafood industry.
7	Quality Assurance	The Department of Fisheries and Aquaculture will have implemented initiatives designed to further enhance the quality of Newfoundland and Labrador seafood products.
8	The Province's Voice in Fisheries and Oceans Management	The Department of Fisheries and Aquaculture will have increased the voice of the Government of Newfoundland and Labrador on marine fisheries and ocean management.

In consideration of Government's strategic directions and the mandate and financial resources of the Department, the following areas have been identified as the key priorities of the Minister for the next two years. The goals identified for each issue reflect the results expected in the two-year timeframe, while the objectives provide an annual focus. Measures and indicators are provided for both the goal and the first year's objective to assist both the department and the public in monitoring and evaluating success.

Issue 1: Fishing Industry Transformation

The Newfoundland and Labrador fishing industry is at a critical point in its history. The declines in crab resources, combined with the lack of recovery in the groundfish stocks, have created much instability and uncertainty within the industry. The industry is also being hit hard by unfavourable exchange rates for the Canadian dollar, strong competition from low-cost producers, overcapacity, workforce availability issues, and increasing costs. These realities and challenges demand that industry and government work together to renew the province's fishing industry with the goal of making it more economically sustainable and internationally competitive.

Goal 1: By 2008, the Department of Fisheries and Aquaculture will have worked with other provincial and federal departments, the fishing industry and other industry stakeholders to identify public policy measures to make the industry more viable and internationally competitive.

Measure: Led the provincial government in a federal/provincial fisheries renewal initiative with the federal Department of Fisheries and Oceans.

Indicators:

- Completed a co-ordinated initiative with DFO to identify public policy measures to help renew the province's fishing industry;
- Conducted meetings with industry leaders to identify public policy options for industry adjustment and renewal.

Objectives:

1. By 2007, the Department will have identified public policy measures to aid in the renewal of the province's fishing industry.

Measure: Led the provincial government in a federal/provincial fisheries renewal initiative with the federal Department of Fisheries and Oceans.

Indicators:

- Employed a dedicated human resource to work with federal and provincial departments on industry renewal measures;
- Completed a DFA/DFO terms of reference for a fishing industry renewal initiative;
- Consulted with industry leaders on policy options for industry renewal;
- Commenced dialogue with fishing industry stakeholders on fisheries renewal and adjustment options.

2. By 2008, the department will have developed and implemented public policy measures to strengthen the province's fishing industry, with emphasis on the fish processing sector which falls under the province's jurisdictional responsibility.

Issue 2: Aquaculture Investment

Newfoundland and Labrador has an excellent opportunity to develop its fish farming industry. Abundant marine resources, progressive siting and sustainability policies and a proactive government have resulted in this province being considered a prime location for aquaculture development in Canada. Opportunities are being recognized by national and international companies that are now investing and establishing companies here. An expanding global population and declining wild fish stocks have created a demand for aquaculture products. This province can supply this demand by providing consistent supplies of high-quality aquaculture products. To meet this opportunity, considerable new private and public-sector investment is needed.

Goal 2: By 2008, the Department of Fisheries and Aquaculture will have developed an expanded aquaculture investment strategy and supported its implementation.

Measure 1: Developed an investment strategy.

Indicators:

- Engaged internal and external partners;
- Identified and assessed investment components, including:
  - Tax incentives;
  - Capital access;
  - Public-sector investment.
- Prepared a strategy document.

Measure 2: Oversaw implementation of an investment strategy.

Indicators:

- Committed human and financial resources within the department;

- Established implementation committee;
- Developed communications strategy;
- Determined delivery mechanism/process;
- Developed monitoring and evaluation plan.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have developed an investment strategy.

   Measure 1: Developed an investment strategy.

   Indicators:
   - Conducted investment strategy workshops to engage internal and external partners;
   - Identified and assessed potential investment incentives such as investment tax credits, capital access program, and public-sector investment fund;
   - Prepared strategy document and workplan.

2. By 2008, the Department of Fisheries and Aquaculture will have implemented the investment strategy.

Issue 3: Commercialization of Cod Aquaculture

On a global scale, Atlantic cod is considered the next major farm species to be commercialized. In other aquaculture jurisdictions such as Norway and Scotland, private and public-sector financial support has been directed toward its commercialization. The primary impediment to the commercialization of cod aquaculture in Newfoundland and Labrador is the lack of private-sector investment. A commercial scale demonstration project is a means to prove the economic viability and attract private-sector investment.

Goal 3: By 2008, the Department of Fisheries and Aquaculture will have initiated the strategic development, start-up and operation of a commercial scale Atlantic cod demonstration farm.

Measure 1: Initiated the development of a strategy for a commercial scale Atlantic cod demonstration farm.

Indicators:

- Developed business model for demonstration farm;
- Developed governance structure for farm operation;
- Secured provincial financial commitment;
- Worked to secure federal financial contribution;
- Developed farm operational plan;
- Developed divestiture plan.

Objectives:

1. By 2007, DFA will have developed a strategy to establish a commercial scale demonstration initiative to prove the economic viability of cod aquaculture.

   Measure: Developed a strategy to establish a commercial scale demonstration initiative.

   Indicators:
   - Established a steering committee to oversee project implementation;
   - Business model ratified by steering committee;
   - Governance structure ratified by steering committee;
   - Secured financial sources.

2. By 2008, DFA will have initiated the start up and operation of the cod aquaculture demonstration farm.

Issue 4: Trade and Tariff Barriers

The majority of seafood products produced in this province are exported internationally. Some key markets have tariff and non-tariff barriers in place that restrict market access. Most notable is the high tariff on shrimp and groundfish trade with the European Union. While the federal government is constitutionally responsible for international trade, it is critical to the province that the province's and the fishing industry's views are represented at various international forums such as the World Trade Organization (WTO) and bilateral trade discussions.

Goal 4: By 2008, the Department of Fisheries and Aquaculture will have supported the reduction of the trade barriers to optimize the value of the province's seafood sector.

Measure: Supported the reduction of the trade barriers.

Indicators:

- Dedicated human resources, within the department, to address seafood trade

issues;
- Prepared and implemented a strategy to reduce trade and tariff barriers for Newfoundland and Labrador fish and seafood;
- Increased trade intelligence within the department;
- Presented Newfoundland and Labrador's position on trade negotiations.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have human resources dedicated to address seafood trade issues, increased trade intelligence activities, and information within the department.

   Measure 1: Human resources are dedicated within the department to address seafood trade issues.

   Indicators:
   - Completed staffing actions;
   - Held industry meetings to develop a seafood trade barrier reduction strategy.

   Measure 2: Increased trade intelligence activities and information within the department.

   Indicators:
   - Prepared reports on Newfoundland and Labrador trade issues;
   - Conducted trade research on trends and seafood trade opportunities;
   - Prepared a trade barrier reduction strategy.

2. By 2008, the Department of Fisheries and Aquaculture will have developed and implemented a strategy to address trade issues and presented its trade positions to the federal government.

Issue 5: Communications

Communications is a key component of creating public awareness and it is important to provide quality information to the public regarding our vital fishing and aquaculture industries. For this reason, the department has identified it as a priority to provide education on, and create awareness of, the fishery and the issues and challenges surrounding it. The department will also provide education on the aquaculture sector that is a bright spot in the province's opportunities for economic development, particularly in rural Newfoundland and Labrador.

Goal 5: By 2008, the Department of Fisheries and Aquaculture will have increased public awareness about the province's fishing and aquaculture industries.

Measure: Increased public awareness about the province's fishing and aquaculture industries.

Indicators:

- Minister delivered speaking tours to business groups;
- Prepared and implemented a sealing industry communications strategy;
- Established essay contests in schools;
- Delivered presentations by departmental staff to schools and community groups;
- Increased distribution of "Seafood Industry Year in Review" publication;
- Increased public relations around trade shows, exhibitions, etc.;
- Increased hits to Department of Fisheries and Aquaculture website.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have developed materials and strategies to increase public awareness.

   Measure: Materials and strategies are developed to increase public awareness.

   Indicators:

   - Developed material for speaking tours;
   - Established essay contests in schools;
   - Prepared and implemented a sealing industry communications strategy;
   - Delivered presentations by departmental staff to schools and community groups;
   - Measured baseline data on public awareness.

2. By 2008, the Department of Fisheries and Aquaculture will have increased public awareness of the province's fishing and aquaculture industries.

Issue 6: Seafood Market Development

It is critical that the seafood industry, in co-operation with government, develop and employ more effective techniques in promoting our seafood products in national and international markets. Within a marketing strategy framework, this can be accomplished through trade missions, increased product promotions, and exploration of alternative trade events worldwide.

Goal 6: By 2008, the Department of Fisheries and Aquaculture will have implemented market exploration and marketing initiatives designed to increase the viability of the seafood industry.

Measure 1: Implemented seafood market exploration and marketing initiatives.
Indicators:

- Assessed seafood marketing opportunities at various trade shows in addition to the department's current trade show commitments;

- Worked with industry to focus government's seafood strategy;
- Supported incoming/outgoing trade missions to explore market opportunities.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have solicited industry input on government's seafood marketing strategy.

   Measure: Input received from industry on a government seafood marketing strategy.

   Indicators:
   - A questionnaire developed and responses received from industry;
   - Consultations held with industry and other government departments;
   - Research conducted on new marketing opportunities.

2. By 2008, the Department of Fisheries and Aquaculture will have developed and implemented government's new seafood marketing strategy.

Issue 7: Quality Assurance

Quality assurance initiatives are critical to maintaining Newfoundland and Labrador's position as a supplier of high-quality seafood to world markets. Promoting the province as a leader in the global seafood market has raised the industry's consciousness with respect to quality and has led to significant increases in landed and production value. For this reason, the department will focus on initiatives to further enhance the commitment to quality assurance in the province's seafood industry.

Goal 7: By 2008, the Department of Fisheries and Aquaculture will have implemented initiatives designed to further enhance the quality of Newfoundland and Labrador seafood products.

Measure 1: Implemented quality assurance initiatives.

Indicators:
- Established a government/industry working group on quality assurance;
- Developed training materials;
- Delivered training workshops to the seafood industry;
- Developed and implemented a ticketing system to enforce the quality regulatory regime.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have expanded initiatives designed to further enhance the quality of Newfoundland and Labrador seafood products.

Measure: Expanded initiatives to further enhance seafood quality.

Indicators:

- Established a government/industry working group on quality assurance;
- Developed training materials;
- Developed a ticketing system to enforce the quality regulatory regime;
- Assessed new technologies, particularly harvesting technologies, to enhance seafood quality.

2. By 2008, the Department of Fisheries and Aquaculture will have implemented new initiatives designed to further enhance the quality of Newfoundland and Labrador seafood products.

Issue 8: The Province's Voice in Fisheries and Oceans Management

The management of fisheries resources falls under the jurisdiction of the Government of Canada. While the province has input into decision making through the regular consultative process, final decisions are made by the federal Minister of Fisheries and Oceans, taking into account advice and input from various sources. Given the importance of the fishery, particularly to rural Newfoundland and Labrador, decisions are required which are in the best interest of the province. The Government of Newfoundland and Labrador is therefore seeking a greater say in regional, national and international management decisions associated with fish stocks adjacent to this province.

Coastal and oceans management is an emerging area of interest for Canada and other countries. Given the importance of our coastal and ocean resources, it is important that the province be actively engaged in ocean management activities with the federal government, other provinces and ocean stakeholders.

Goal 8: By 2008, the Department of Fisheries and Aquaculture will have increased the voice of the Government of Newfoundland and Labrador on marine fisheries and ocean management.

Measure 1: Increased the voice of the Government of Newfoundland and Labrador on marine fisheries and ocean management.

Indicators:

- Pursued partnerships with the federal government on fisheries management:
  - Engaged in bilateral discussions with the federal government on custodial management;

- Participated on NAFO reform initiatives;
- Initiated joint fisheries management discussions with the federal government;
- Pursued partnership for the delivery of the Canada/Newfoundland and Labrador Cod Recovery Strategy;
- Contributed to the implementation of the cod recovery strategy;
- Completed a review of the Canada/France Fisheries Agreement.

- Increased involvement on coastal and oceans management:
  - Created within the provincial government an organizational structure to co-ordinate integrated coastal and ocean management in the province;
  - Prepared an oceans policy framework and strategy for the province;
  - Engaged in the negotiation of a Canada/Newfoundland and Labrador Oceans Management Agreement;
  - Led the formation of the New England Governors (NEG) - Eastern Canadian Premiers (ECP) Oceans Working Committee.

Objectives:

1. By 2007, the Department of Fisheries and Aquaculture will have promoted positions on regional, national, and international fisheries management decisions which are in the best interest of the province.

   Measure 1: Promoted positions on regional, national, and international fisheries management decisions which are in the best interest of the province.

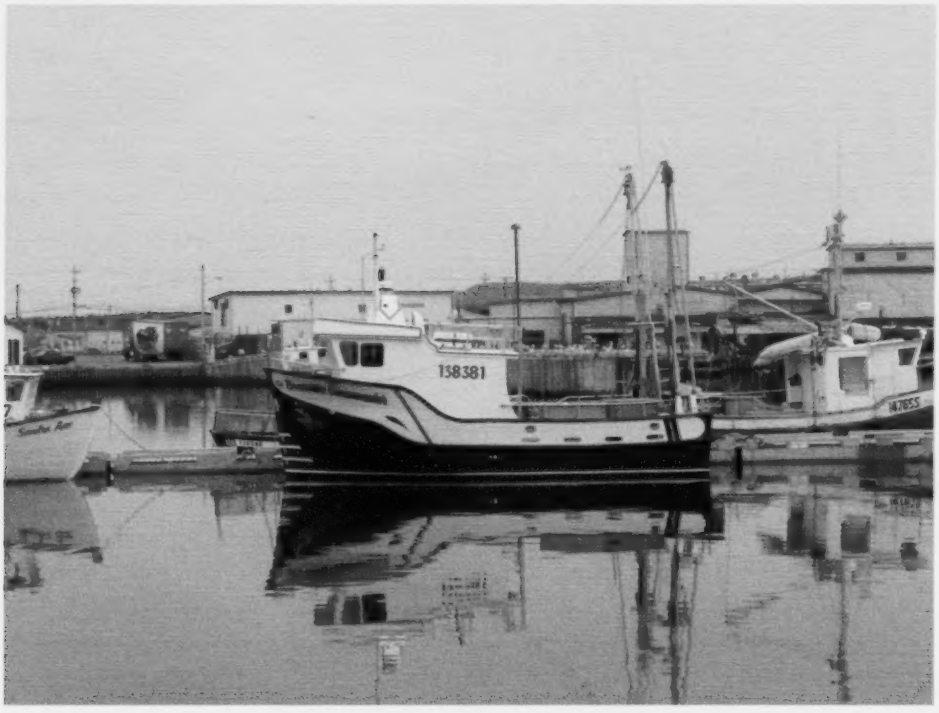
   Indicators:

   - Active participation in the NAFO reform process:
     - Attended delegation meetings;
     - Conducted analysis of reform options;
     - Prepared position papers.

   - Completed bilateral discussions with the Government of Canada on joint management of the province's fishing industry:
     - Meetings held with federal government;
     - Prepared policy papers.

   - Completed a review of the Canada/France Fisheries Agreement:
     - Completed a cost-benefit analysis of the agreement;
     - Held consultations;
     - Completed report.

2. By 2008, the Department of Fisheries and Aquaculture will have engaged the Government of Canada on the negotiation of a Canada-Newfoundland and Labrador Oceans Management Agreement.



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Appendix A

Strategic Directions for Department of Fisheries and Aquaculture

Strategic Directions

Strategic directions are the expression of desired physical, social or economic outcomes and normally require action by more than one government entity. These directions are generally communicated by Government through platform documents, Throne and Budget Speeches, policy documents, and other communiqués. The *Transparency and Accountability Act* requires departments and public bodies to take into account these strategic directions in the preparation of their performance-based plans. This action will facilitate the integration of planning practices across Government and will ensure that all entities are moving forward on key commitments.

The strategic directions related to the Department of Fisheries and Aquaculture are provided below. Each strategic direction is comprised of a number of components, or focus areas. These focus areas will be addressed through the various planning processes of the Department. As indicated in the table, some have been addressed in this plan (the Strategic Plan) while others are addressed in the operational and/or work planning processes.

A strategic direction is defined as a commitment communicated by government that requires the action or involvement from more than one government entity to achieve a desired physical, economic, or social outcome. The *Transparency and Accountability Act* requires all provincial government departments and other public entities to take into account the strategic directions of the government in the preparation of their plans.

Each strategic direction is comprised of a number of components or areas of focus. The tables below indicate each area of focus to be addressed, either in the strategic, operational or work plans of the Department of Fisheries and Aquaculture. The department's progress on the strategic directions will be reported through the annual performance reporting process.

A Fish Processing Licensing Board provides recommendations to the Minister on the issuance of fish processing licences. An Activity Plan will be prepared by the Board, which will outline the actions that will be completed to fulfill the obligations outlined in the board's mandate.

1. Viability of the Fishing Industry

Outcome: Improved viability of the fishing industry.

Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the department's strategic plan	in the department's operational plan	in the branch/ divisional work plans of the department
1. Fishing Industry Transformation	✔	✔	✔	
2. Processing Sector Management	✔		✔	
3. Fisheries Diversification		✔	✔	
4. Quality Assurance		✔		

2. Aquaculture Development

Outcome: A developed aquaculture industry.

Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the department's strategic plan	in the department's operational plan	in the branch/ divisional work plans of the department
1. Investment		✔		
2. Extension Services (e.g. fish health, environmental/biological monitoring)				✔
3. Development and Commercialization		✔		
4. Management/Administrative			✔	

3. Fishery and Marine Resource Interests

Outcome: Secured fishery and marine resource interests.

Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the department's strategic plan	in the department's operational plan	in the branch/ divisional work plans of the department
1. Fisheries Management Advice		✔		
2. Securing our Share of Fish Resources			✔	
3. Coastal and Oceans Management		✔		